

off. I have seen jean factories in Elkins and Phillippi, a shoe plant in Marlinton, a glassworks in Huntington, and a shirt factory in Morgantown, close down because of foreign competition, throwing hundreds of people—many of whom had never held another job—out of work.

Many of the unemployed are in their 20's and 30's with young children to support. Others are in their 40's and 50's and have held the same job for more than 20 years. A few may never find work again. For those who do, it will be at a vastly reduced salary with fewer benefits. And as plants continue to close down, who knows if the health care and pension benefits that were guaranteed by their employers and which those workers thought they could depend on will still be there for them when they retire?

It makes me angry that we as a Nation have not done nearly enough to help those who have been dislocated from foreign trade, through no fault of their own, particularly when our trade policies led to their unemployment. Instead, we have provided a TAA program for which many of our workers do not qualify and which provides too little assistance for workers to retrain so that they can adequately provide for their families. That is just not right.

At the same time, our foreign trade partners continue to engage in unfair and illegal trade practices that throw more and more Americans out of work. For years, the relative market shares of the top Japanese steel firms has never varied by more than 1 percent, regardless of changes in the marketplace, because they have a cartel. Russian steelworkers often do not receive wages. New uneconomic steel capacity continues to come on line around the world, often partially funded by loans from international financial institutions that receive U.S. Government funding.

Yet our steelworkers, glassworkers, and others in the manufacturing sector of our economy are forced to compete on the same playing field with these countries, whose producers are heavily subsidized or who have benefitted from a long legacy of indirect government assistance or toleration of anti-competitive activities. Such practices have allowed foreign steel companies to stay in business long after they would have shut down if they were located in the United States. How are our workers supposed to compete with that, no matter how efficient they are?

It is no wonder that people in this country are beginning to wake up to our trade policies and wonder just what we are doing and what principles, if any, we are using to guide them. You should not need to have an MBA from Harvard in order to get a good job, with good wages and benefits, in this country.

If this Administration wants to negotiate more trade agreements, without

dealing with the impact that trade has on our steelworkers and workers in other sectors of our economy who built this country into the economic super power that it is today, then it will fail miserably.

This bill is a good step forward. I urge my colleagues in Congress to help us pass it and the President to sign it into law. But it is only the beginning. We simply cannot ignore the fact that with trade, a rising tide does not always lift all boats. Our laws are not the laws of nature, but rather, the laws of mankind. We cannot say that dislocation through trade is inevitable and just throw up our hands, leaving millions of American workers behind. We have an obligation to them and to their families, to craft trade policies that are to their benefit and which help them prepare for the future. It is an obligation that we simply cannot ignore.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Madam President, at the close of business Friday, July 20, 2001, the Federal debt stood at \$5,723,280,631,657.09, five trillion, seven hundred twenty-three billion, two hundred eighty million, six hundred thirty-one thousand, six hundred fifty-seven dollars and nine cents.

One year ago, July 20, 2000, the Federal debt stood at \$5,665,503,000,000, five trillion, six hundred sixty-five billion, five hundred three million.

Twenty-five years ago, July 20, 1976, the Federal debt stood at \$619,038,000,000, six hundred nineteen billion, thirty-eight million, which reflects a debt increase of more than \$5 trillion, \$5,104,242,631,657.09, five trillion, one hundred four billion, two hundred forty-two million, six hundred thirty-one thousand, six hundred fifty-seven dollars and nine cents during the past 25 years.

ADDITIONAL STATEMENTS

MINIMUM WAGE

• Mr. KENNEDY. Madam President, I ask that the following article from the Wall Street Journal, dated July 19, 2001, be printed in the RECORD.

[From the Wall Street Journal, July 19, 2001]

[By Rick Wartzman]

FALLING BEHIND—AS OFFICIALS LOST FAITH IN THE MINIMUM WAGE, PAT WILLIAMS LIVED IT

SHREVEPORT, LA.—Night had fallen by the time Pat Williams, hungry and bone tired, arrived home to find the little red ticket mocking the more than 10 hours of toil she had just put in.

"Oh, Lord," she said, reaching into her mailbox, "what is this?" She swatted a mosquito, held the ticket to the light above her front stoop and took in the bad news: Reliant Energy Inc. had cut off her gas because her account was \$477 overdue.

"I ain't going to sweat it," she muttered over and over. Clearly, though, she was

wound tight, and soon began puffing on a succession of discount cigarettes.

It was early April, and Ms. Williams was dressed in the dark blue uniform that she wears at her first job, caring for the aged and infirm at a nursing home. Atop that was the gray apron she dons for her second job, cleaning offices at night. The place where she works as a nursing assistant, Harmony House, was paying her \$5.55 an hour—barely above the minimum wage—even though she has been there more than 10 years, is a union member and completed college courses to become certified. The cleaning job, which she took up because she couldn't make ends meet, pays right at the federally mandated minimum: \$5.15 an hour.

For the 46-year-old single mother with a bright smile and big dimples, life has never been easy. But, as she will tell you, it certainly has been easier.

When she began minimum-wage work more than two decades ago, Ms. Williams says, she had little difficulty paying her bills. Small indulgences for her and her three children—a burger and fries on a Saturday afternoon, a new blouse, the occasional name-brand sneakers—weren't such a stretch. Most of all, Ms. Williams wasn't nearly so stressed over money.

Sometimes, she and her best friend, Ruby Moore, sit in Ms. Williams's back yard and, as trains thunder by, they talk about how they just can't get ahead. Ms. Moore, 51, has earned around the minimum wage for years, first by working in the kitchen of a drug-treatment center, and now by cooking for recovering addicts of a different sort—the gamblers who've surfaced along with the glittering casino boats on the Red River. "It's much harder than it used to be," she says. "You've got to skip this bill in order to pay that bill."

"You think you're moving forward," adds Ms. Williams, "but you're just moving backwards."

There's little wonder why. As a long-time low-wage worker, Ms. Williams has felt the sting of one of the most profound shifts in American economic policy during the past 20 years: a mounting disdain for the minimum wage. Established during the New Deal, the minimum wage was once viewed by Democrats and Republicans alike as an instrument of economic justice—an effort to "end starvation wages," as President Franklin D. Roosevelt himself put it. Now, though, it is seen by much of official Washington as an economic impediment, an undue burden on a marketplace better left unfettered. Where the onus was once on the business owner to pay "a decent wage," it's now more on the worker to demonstrate that he or she deserves one.

This sea change began when Ronald Reagan swept into office. From 1950 through 1982, the minimum wage was allowed to fall below 45% of the average hourly wage in the U.S. in only four separate years. Since 1982, the minimum wage has never reached 45%, and it currently stands at 36%, of that benchmark. Even using a conservative measure of inflation, the minimum wage throughout the '60s and '70s was consistently worth more than \$5.50 an hour—and frequently more than \$6—in today's terms. After 1980, its value plummeted, sinking to less than \$4.50 as President Reagan left office. Two subsequent increases have nudged it back up to its present \$5.15.

While the robust job market of the '90s thinned the ranks of minimum-wage workers—only about 1% of hourly employees earn exactly \$5.15 an hour now, down from more

than 9% in 1980—plenty of people still hover right around the pay floor.

Legislation introduced in Congress last February would elevate the minimum wage to \$6.65 an hour by 2003. More than 11 million workers, or about 15% of the hourly labor force, now earn from \$5.15 to \$6.64. President Bush has signaled that he could accept a moderate increase in the minimum wage—but only if states are allowed to opt out. The Senate, where the Democrats recently gained control, is expected to take up the matter in the coming weeks.

Meanwhile, in communities across the country, low-wage work isn't a relic, but an unrelenting reality. A just-published study by two economists—William Carrington, formerly of the Bureau of Labor Statistics, and the Federal Reserve's Bruce Fallick—gives a name to this phenomenon: the "minimum-wage career." They tracked some 3,500 people for 10 years after they had left school and found that more than 8% spent at least half of that time in jobs paying at or near the minimum wage. In Ms. Williams's case, practically everyone she knows has been mired in such occupations their whole working lives.

For them, it's as if the two longest peacetime economic expansions in the nation's history—one under President Reagan, the other under President Clinton—never happened at all.

Ms. Williams earned \$10,067 in wages last year. She also received a \$2,353 federal tax credit targeted to the working poor. Because her children are all grown and gone, the size of the credit hinges on Ms. Williams's seven-year-old grandson, Kimdrick, staying with her for more than half the year. Caring for Kimdrick is a survival strategy she worked out with her eldest daughter; if she weren't caring for a child, Ms. Williams would have been eligible for a tax credit of only \$27—a point at which, she says, she'd likely be on the streets. The daughter claims her other two children for tax purposes.

Through the 1980s, Ms. Williams's wages were so low that she received welfare payments—at times as much as \$217 a month—to supplement her income. But she ceased collecting these handouts 12 years ago, partly, she says, because it was a hassle to reapply every few months and partly because of the indignity. "I just wanted welfare to be a stepping stone," she says. "It made me feel terrible." Last summer, Ms. Williams also stopped reapplying for food stamps, which in the past had been worth up to \$324 a month, depending on how many of her children were living with her and other factors. The local housing authority still picks up nearly two-thirds of her monthly \$525 in rent, and she receives free medical care for her high blood pressure at an indigent clinic.

Inside her small but fastidiously kept house—decorated mostly with bric-a-brac from Good Will and the Dollar Store and pictures cut out of magazines hung on the walls—Ms. Williams ticked off the expenses that she was juggling at the moment. Besides the gas bill, a notice recently arrived reminding her that she was late in paying \$142.14 to the electric company. She owed \$55.26 to the phone company, \$23.47 on the student loan she took out years ago for her nursing classes, and \$39.95 for her burglar alarm—a must, she says, in her crime-infested neighborhood.

Violence touched her just last year. Ms. Williams's boyfriend snapped and, according to police records, came at two of her kids with a knife. Ms. Williams shot him with her .25-caliber pistol. He staggered into traffic and was run over and died. The authorities

ruled the shooting "justifiable," and Ms. Williams was never charged.

The incident, she says, left a void in her heart. It also left one in her pocketbook. The boyfriend used to chip in on the bills, and his absence has been the main reason that Ms. Williams has had to find a second job—even in Shreveport, where it's relatively cheap to live.

Her budget offers no cushion. The bill from Reliant Energy, swollen in part by unusually cold weather last winter, sent Ms. Williams tearing into her scant savings. She had somehow managed to put away a few dollars in the hopes of eventually moving someplace quieter, out in the country. But in a single stroke, the check to Reliant wiped out most of her nest egg. "It's devastating," she said, "just devastating."

A little later, Ms. Williams moved along Hollywood Avenue, a run-down commercial strip near her house, where sin and salvation compete head-on; for every liquor store and bail bondsman, a Baptist church beckons. "Why is it so hard to get a pay increase?" she asked. "If I made \$7 an hour, I'd think I was doing good."

Over on Illinois Avenue, Ms. Williams gazed at the simple wooden house she grew up in. She remembered sitting out on the front porch with her daddy, watching him sell watermelons—three for \$1—in the 1950s. "They were good and sweet," she said. It was a different world back then.

One by one, President Eisenhower's top advisers paraded into the Cabinet Room of the White House and took their places around the big mahogany table. The discussion on this morning, Dec. 10, 1954, quickly turned to the workaday business of running the country: an initiative to add 70,000 units of public housing, the Buy American Act, the need for preventive medical care. Yet one subject, above all, seemed to stir the participants' passion: raising the minimum wage.

Mr. Eisenhower—the first Republican to occupy the White House since the minimum wage was enacted—had floated the idea of increasing it from 75 cents an hour early in the year. Now, with the economy humming along, it appeared the perfect time to put the plan in motion. Even the president's economic adviser, the cautious Arthur Burns, agreed that the only question left to decide was what "the optimum figure" for the new wage would be.

Handwritten notes from the cabinet meeting, stored at the Eisenhower Library, suggest that the president listened intently to the numbers being bandied about. George Humphrey, the treasury secretary, declared that going to \$1 an hour "would be too much" and could undermine smooth relations with the business community. All eyes then fell on Labor Secretary Jim Mitchell, a plain-spoken man who had once been in charge of employee relations at Bloomingdale's. One dollar, he countered, "has great appeal." The vice president, Richard Nixon, added that it would be "unfortunate" if the administration recommended less than \$1 because that would only enhance the odds that Democrats in Congress would "raise the ante."

Finally, Mr. Eisenhower spoke up. "We just have to seek that place where both sides will curse us," he said. "Then we'll be right."

The law establishing the federal minimum wage, the Fair Labor Standards Act of 1938, had called for just such a balancing act. It stipulated that workers be paid at least enough to maintain a "minimum standard of living necessary for health, efficiency and

general well-being." At the same time, though, it sought to do this "without substantially curtailing employment."

Mr. Eisenhower ultimately proposed an increase to 90 cents—and the cursing came on cue. The U.S. Chamber of Commerce warned that a 90-cent minimum would be "self-defeating" because many mom-and-pop businesses would have to shut their doors and lay people off, hurting the very low-skilled workers who were supposed to benefit. George Meany, the president of the American Federation of Labor, denounced the administration's plan as "grossly inadequate" to lift up the poor and pushed for \$1.25 an hour.

In many ways, the economic debate hasn't changed much over the years. Opponents have long claimed that imposing a higher minimum wage kills jobs. "The direct unemployment," wrote Prof. George Stigler in a landmark article in the June 1946 *American Economic Review*, "is substantial and certain."

Just yesterday, Federal Reserve Chairman Alan Greenspan told a congressional hearing that he would abolish the minimum wage if he could. "I'm not in favor of cutting anybody's earnings or preventing them from rising," he said, "but I am against them losing their jobs because of artificial government intervention, which is essentially what the minimum wage is."

Yet other analysts have disagreed, touting the minimum wage as an effective means for helping working people to escape poverty. Those in this camp contend that as long as it isn't excessive, an increase in the minimum wage will destroy few, if any, jobs. Their rationale: As businesses raise their wages, they're apt to suffer less turnover and will often find that their employees are more diligent, leading to a jump in output that more than makes up for the extra cost to the payroll.

As the Eisenhower plan moved to Capitol Hill, the action unfolded in a manner typical of the era. Democrats, by and large, wanted a higher minimum wage than did their GOP counterparts. But the divide wasn't purely partisan. Southern Democrats rallied against a raise, while "liberal Republicans" favored one.

In July 1955, a bill emerged from Congress to increase the minimum wage to \$1. A couple of weeks later, Mr. Eisenhower signed the legislation into law. "I think 'fairness' is a good word" to express what the president hoped to achieve, says Maxwell Rabb, who was Mr. Eisenhower's cabinet secretary. "He did not want a divided nation," and lifting wages for those at the bottom was part of that larger agenda.

The minimum wage went up again during each of the next two administrations—those of presidents Kennedy and Johnson—and coverage also was extended to more than 12 million workers, including retail and restaurant employees and farm hands, who previously had been exempt. By 1968, as Richard Nixon was elected president, the value of the minimum wage had hit its apex: \$6.82 an hour in today's terms.

Many lawmakers fixed their sights on the average wage in the U.S., taking care to keep the minimum at about half that amount. "People feel poor when their income is less than 50% of the average," explained Rep. Al Quie of Minnesota, who served for 11 terms beginning in 1958 and would go on to become ranking Republican on the House Labor Committee.

Mr. Quie and other key players from the minimum-wage wars of yesteryear—including members of both parties—say their advocacy for increases was propelled, in large

part, by a fundamental belief: People who get up and go to work each day deserve to make enough money to cover their essential needs. Employers that aren't productive enough to provide such a basic level of compensation—"chiselers," some detractors have called them—don't belong in an affluent society.

This way of thinking, recalls Eugene Mittelman, who served as labor counsel for GOP Sen. Jacob Javits of New York from the late 1960s through the mid-1970s, transcended all the conflicting studies about how the minimum wage affected unemployment, inflation and poverty. "It was more of a general feeling that if people worked, they ought to make a living wage," he says. "This wasn't economically driven. It was morally driven."

The Shreveport that Pat Williams was born into in the spring of 1955 was an oil-and-gas boomtown, where folks swayed to the music of Elvis Presley, the young star of the "Louisiana Hayride," a radio show aired right from the city's own Municipal Auditorium.

The Williams household didn't partake in the good times, however. The family never had much money, and Pat was raised under the loving but strict hand of a Jehovah's Witness. She was, she says, "a good kid" until, at age 13, she made a startling discovery: The couple she thought were her parents—the domestic and retired carpenter she had known her whole life as "Mommy and Daddy"—were actually her aunt and uncle. Pat's real mother had abandoned her as a baby.

The revelation "totally messed me up," she says. "I went from getting A's and B's in school to D's and F's, when I showed up at all."

By 19, Ms. Williams was a 10th-grade dropout with three children, no husband and no job. Then, one day in 1979, she says, "something inside me clicked." Bored with just lounging around, living off welfare, and overwhelmed by a sense that "I wanted my children to have more than I did," Ms. Williams set out to find work.

She landed a job at the Hollywood Tourist Courts, a rooms-by-the-hour motel where she cleaned up and checked in patrons, some of them acquaintances of hers apparently sneaking off for illicit trysts. She received only minimum wage—then \$2.90 an hour—but "it felt good," she says, to be bringing in her own money. "I was proud."

What's more, Ms. Williams found that even on her salary—which was equivalent to \$6.34 an hour in today's dollars—she was able to meet her routine expenses without much of a strain. She usually had enough money left on the weekends to take her brood to Mister Swiss, a hamburger joint next to the motel, where they'd grab lunch and pop the leftover change into the jukebox. Despite being poor, says Ms. Williams, "those days were more carefree."

Over the next two years, the minimum wage rose to \$3.35 an hour, or \$6.08 in today's terms, following a four-step increase that had been passed in 1977. Little did Ms. Williams know that this would mark the last time the minimum wage would be raised for nearly a decade, undoing a practice that had been carried out by seven U.S. presidents—and leaving her further and further behind.

In the summer of 1969, an analysis written by a former commissioner of labor statistics named Ewan Clague crossed President Nixon's desk. It indicated that the minimum wage was exacerbating one of the most vexing problems confronting the nation at the

time: a skyrocketing youth unemployment rate. A business owner subject to the minimum wage, Mr. Clague wrote, "cannot afford to put up with a mediocre job performance by inexperienced youngsters."

Mr. Nixon's answer—a proposal whose development can be traced through numerous documents culled from the National Archives—was to allow employers to pay 16- and 17-year-olds a "youth subminimum," an amount even lower than the minimum wage. The logic was simple: High-school dropouts could then find entry-level positions much more easily, acquiring the skills and work habits they'd need to eventually secure more-rewarding jobs. Yet the plan faced many critics, who feared that business owners would engage in, as Sen. Javits put it, the "wholesale replacement" of adult workers with younger, cheaper employees.

A bill to raise the minimum wage finally passed the Democratic-controlled Congress in August 1973. However, it didn't include a youth subminimum, and it sought to ramp up the wage on a faster timetable than many Republicans thought prudent. The International Ladies' Garment Workers' Union launched a campaign urging Mr. Nixon to sign the bill; the corset and brassiere assemblers from Local 32 in New York alone mailed him more than 1,500 postcards and letters. Unimpressed, Mr. Nixon vetoed the legislation.

Mr. Meany, the AFL-CIO chief, slammed the president's decision as a "cruel blow" to low-wage workers, while Harrison Williams of New Jersey, the Democratic chairman of the Senate Labor Committee, accused Mr. Nixon of exhibiting "a callous disregard" for the working poor. But in hindsight, what's most striking about the standoff—so bitter and protracted that the legislative history would one day fill a bound volume more than two inches thick—is that few voices ever assailed the minimum wage itself.

"There can be no doubt about the need for a higher minimum wage," Mr. Nixon said in his veto message. "Both fairness and decency require that we act. . . ."

In the spring of 1974, Congress passed a new minimum-wage bill, which still lacked a youth subminimum. But this time, on April 8, Mr. Nixon signed it, a deed that would get a little lost on the next morning's front page given other news out of Atlanta: Hank Aaron had just smashed his record-setting 715th major-league home run.

Few in the president's party protested the raise, which took the minimum wage to \$2.30 an hour (\$6.25 in 2001 terms) from \$1.60 over three years. That made up for much of the inflation that had eaten away at it since the last increase in '68. The president himself proclaimed that, while Congress "did not go as far as I wished in protecting . . . work opportunities for youth," the fight had dragged on long enough. Improving the wages of workers whose earnings have "remained static for six years," he said, "is now a matter of justice that can no longer be fairly delayed."

It wouldn't take much of a cynic to dismiss President Nixon's comments as politically motivated, especially given that he signed the bill as the Watergate scandal neared its climax. Surely, he no longer had the muscle to sustain another veto. But several Nixon advisers insist that to read it this way would be mistaken.

"This wasn't a political sop to anybody," says Ken Cole, then Mr. Nixon's point man on domestic-policy issues. "He believed in what he was doing."

Whenever Labor Department supervisor Willis Nordlund needed some esoteric piece

of information on the minimum wage, he knew right where to turn: the big bank of file cabinets inside room C-3319 at the department's cavernous Washington headquarters—a depository so chockfull, he says, it contained handwritten charts going back to the days of the New Deal.

And so, Mr. Nordlund recalls, it was more than a little shocking when one morning, sometime in the late 1980s, he walked into the third-floor file room, only to find all the material thrown out by another supervisor who wanted the space.

For someone who had taken to heart Franklin Roosevelt's assessment that, next to Social Security, the Fair Labor Standards Act ranked as "the most far-reaching, far-sighted program for the benefit of workers ever adopted," it was not an easy period. Mr. Nordlund's budget for research into the minimum wage had been slashed through the Reagan years. Now, the cleaning out of the files, he says, was "the final kick in the gut"—to him and, symbolically at least, to the minimum wage itself. "This was an administration," he says, "that just wanted the minimum wage to go away."

Indeed, it did. A mere six years after Richard Nixon had talked about raising it as "a matter of justice" and three years after Jimmy Carter had raised it again, Ronald Reagan blasted the minimum wage as the cause of "more misery and unemployment than anything since the Great Depression."

Seen this way, raising the minimum wage wasn't moral; it was downright "immoral," says economist Milton Friedman, the intellectual godfather of the Reagan revolution. "If you're willing to work for \$1.25 an hour, and I'm willing to pay you \$1.25 an hour because that's what you're worth, are you better off being unemployed?" because the government insists on a higher wage?

This wasn't a wholly new line of reasoning, to be sure. But after President Reagan was elected, "the tone changed," says Sen. Edward Kennedy, the Massachusetts Democrat who is a leading champion of a higher minimum wage. "It was much more ideological."

For the first time ever, a president and his top aides set out to see the minimum wage wither. "If we would have had our druthers," acknowledges Murray Weidenbaum, the chairman of Mr. Reagan's first Council of Economic Advisers, "we would have eliminated it." However, because that would have been such "a painful political process," Mr. Weidenbaum says that he and other officials were content to let inflation turn the minimum wage into "an effective dead letter."

The administration's antipathy was fueled by scholarship similar to that which Mr. Nixon had zeroed in on earlier: The minimum wage, these studies found, was a barrier to employment for low-skilled workers, especially African-American teens.

Much of this research was the product of a "neoclassical" movement in economics that had been gaining steam in academic circles since the 1960s, thanks in no small part to the influence of University of Chicago professors, including Mr. Friedman and George Stigler. The school emphasized the virtues of economic efficiency. The concept that every worker is entitled to a "living wage," regardless of his or her skills, "was no longer part of the discussion," says Robert Prasch, who teaches the history of economic thought at Middlebury College.

At one point, Mr. Reagan proposed his own version of a youth subminimum. But unlike President Nixon, whose promotion of a lesser pay scale for teenagers had been tempered by a sense that the minimum wage shouldn't be

allowed to erode too much in general, Mr. Reagan saw almost any meddling in the marketplace as anathema. The president "believed that the government should not have the right to step in and bar employment opportunities for anyone," says John Cogan, who served as an assistant secretary in the Reagan Labor Department. "The moral issue was very clear in his mind."

It was for others as well. Many of the Republicans who rode on Mr. Reagan's coattails in 1980 "thought just like he did" on the minimum wage, says John Motley, who was then a lobbyist for the National Federation of Independent Business, a group representing small enterprise. In fact, he says, about two dozen lawmakers elected to Congress that year—far more than ever before—were NFIB members. On Capitol Hill, entrepreneurs were treated increasingly as "heroic figures," Mr. Motley says. "The government needed to help them, not saddle them with mandates and regulations."

As the NFIB and other minimum-wage adversaries such as the National Restaurant Association ascended, the policy's greatest guardian fell on hard times. Following President Reagan's firing of striking air-traffic controllers in 1981, labor unions went on the defensive and were unable to fight as tenaciously as they had in the past for a higher minimum wage. All the while, the portion of the work force that's unionized declined steadily, edging under 20% in 1984.

When Mr. Reagan took office in 1981, the minimum wage was at \$3.35 an hour. When he left eight years later, it was still at \$3.35. In real terms, its value had sunk almost 27%, to \$4.46 in today's dollars.

Back in Shreveport, Pat Williams grappled with the consequences. After a couple of years at the Hollywood Courts, she left the motel for a better job, cooking soul food at a restaurant called the Riverboat Inn for the comparatively lofty pay of \$5.75 an hour. But the place shut down in the mid-1980s, and Ms. Williams wound up as a nursing assistant at Harmony House, back on the minimum wage.

As her purchasing power dwindled, Ms. Williams scrimped. Where her family once enjoyed a varied diet, including all sorts of meat, by the late '80s they ate strictly chicken—so much of it that her kids would break out in song around the dinner table:

*Chicken fly high
Chicken fly low
Chicken fly Mamma's way
Don't fly no mo'*

When the chicken money ran out, the children recall, they subsisted on beans and rice.

The worst, though, was the holidays. Ms. Williams and the kids—Theresa, Youlonda and Darrell—all still vividly remember the Christmas that they couldn't afford a single gift. Youlonda says that she and her siblings tried to comfort their mom, telling her it was all right, that they understood. But Ms. Williams just sat on her bed and cried. Eventually, she came out of her room and turned on the stereo. She doesn't remember exactly what she played that December afternoon, but she's sure it was her favorite music: the blues.

"If you really listen to the blues," she says, "you find out it's nothing but the truth."

A half dozen Harmony House workers sat on Ms. Williams's threadbare couches one evening last April, sipping beers and peering through a cigarette haze, as union organizer Zack Nauth offered up something rare in their lives: a word of hope.

Louisiana nursing homes, which had been complaining that deficient Medicaid reim-

bursements were the main culprit for their workers' low pay, were slated to receive a \$60 million infusion from the state. Mr. Nauth, of the Service Employees International Union, told the women that they needed to speak up and make sure they got their fair share. The nursing homes, Mr. Nauth said, would "just as soon put it all into their own bank accounts."

The women were skeptical that any of it would come their way, however, and spent most of the night venting. One worker, Shirley Vance, was particularly testy and questioned why they even have a union at Harmony House. "I don't see no results," she said, griping about her biweekly dues of \$6.50. But Ms. Williams and her friend, Annie Freeman, maintained that the union has been a real plus. Workers had fewer rights and virtually no benefits, they said, before the SEIU got there. "We've had to fight for what we have," said Ms. Williams.

Of the six women at the meeting, all were making less than \$6 an hour, including one who has been at Harmony House for 18 years. "We can't survive on what they pay us," said Ms. Freeman, a nursing assistant who, after more than a decade at the home, earns \$5.60 an hour.

"We sure can't," echoed Ms. Vance. "It's pitiful."

Before the meeting broke up, the conversation turned to the minimum wage. Mr. Nauth told the group that he's heard rumblings that Congress may vote on an increase this year. Ms. Williams said she gets "all excited" at the prospect but knows better than to count on it. The last time lawmakers deliberated on such legislation, just last year, it died.

Since Ronald Reagan left office, the minimum wage has been raised twice: with great reluctance by President Bush in 1989 and by President Clinton in 1996. Both followed drawn-out battles defined by the kind of partisan sniping that has come with the changed complexion of Congress. Many of the seats once held by Southern Democrats have been seized by Republicans, and the number of GOP moderates who used to support the minimum wage has shriveled in the conservative tide.

One new twist, added to the debate in recent rounds, is that tax breaks for small businesses are now routinely linked to any minimum-wage bill. The only way low-wage workers get help is if company owners do, too. In earlier years, "that would have been laughed out of the room by both sides," says Ken Young, a long-time AFL-CIO official. No one thought about business breaks "when you were talking about the people at the very bottom end of the economic ladder."

With the minimum wage worth less today than it was all through the '60s and '70s, a backlash has developed around the nation. Ten states and the District of Columbia now have their own minimum wages that are higher than the federal government's. And in a host of cities, so-called living-wage campaigns have been undertaken to raise workers' pay to anywhere from around \$8.00 an hour—what it takes for someone to support a family of four above the poverty line—to more than \$10.

The immediate aim of the Harmony House workers, though, was far more modest: a \$1-an-hour increase. Mr. Nauth asked the women to devise a slogan that they could use to rally the public to their cause. Ms. Freeman's entry: "Take Care of the People Who Take Care of Yours."

Several of the women said they think from time to time about finding another job. The

Shreveport economy has been strong lately, and most "anybody that's got some get-up-and-go" should be able to find work that pays satisfactorily, says Mayor Keith Hightower. The median pay for telemarketers in the area is \$8.50 an hour. Housekeepers at the casinos earn up to \$7. But for someone like Ms. Williams, who burns up so much energy just trying to make it day to day, job hunting seems hugely daunting.

Besides, she and the others say that, save for their wages, they feel good about what they do. The nursing home residents "are like family," says Ms. Williams, who keeps photographs of her patients who've passed on. In the mid-'90s, Ms. Williams left Harmony House for a hospital job that paid a bit better, but she came back a couple of years later because she didn't like the atmosphere at the new place nearly as much.

Over at Harmony House, a low-slung edifice that's antiseptic-clean inside, officials say they'd love to pay their workers more, but the Medicaid situation has made it impossible. "We've really been in a pinch," says James Shelton, a supervisor at Central Management Co., a Winnfield, La.-based firm whose principals own and operate Harmony House along with other nursing homes around the state. Nevertheless, the company's president saw his own pay go up 44% in 1999. According to the latest available records from the state health department, Teddy Price's salary soared to \$402,943 that year from \$279,282 in 1998. A spokeswoman says the increase reflects Mr. Price's heightened responsibilities during the past few years as Central Management has added five new facilities to its portfolio.

Less than a week after The Wall Street Journal asked Central Management about its workers' wages, Harmony House announced that "because of market conditions," it was raising the pay of its certified nursing assistants. Housekeepers, laundry workers and kitchen personnel got no increase.

Ms. Williams says she's "grateful." She now makes \$6.35 an hour—pay that's about equal in value to that of her first minimum-wage job, 22 years ago.

THE FACES OF LOW-WAGE WORK

Name: Gussie Cannedy.
Age: 76.
Home: Philadelphia.
Occupation: Answers phones at the American Red Cross.
Hourly wage: \$5.15.
Ms. Cannedy, a widow who retired as a clothing-factory supervisor in 1985, works at the Red Cross to supplement her \$715 in monthly Social Security income. Yet it isn't really enough. "If it weren't for my children sending money every so often," she says, "I couldn't get over the hump."

Name: Mary Anne Thomas.
Age: 40.
Home: North Little Rock, Ark.
Occupation: Personal care and home-health aide.
Hourly wage: \$5.60.

Ms. Thomas, who works about 18 hours a week, says she is doing okay, thanks to her husband's \$7.50-an-hour job as a liquor-store salesman. Still, she has been actively campaigning for a "living wage" in her area, after seeing so many colleagues struggling to stay afloat.

Name: Trae Sweeten.
Age: 18.
Home: Newport, Tenn.
Occupation: Does everything from making burgers to cleaning the parking lot at a Wendy's restaurant.

Hourly Wage: \$5.60.

Trae, who lives with his father and will soon start community college, says his wage is sufficient for "putting money in my pocket." Besides, he adds, his stint at Wendy's has been "a nice taste of the working world."

Name: Celia Gonzalez.

Age: 48.

Home: San Antonio.

Occupation: Sews baseball caps and tennis visors at a hat factory.

Hourly Wage: \$6.

Ms. Gonzalez, a single mom, counts on her 21-year-old son, who earns \$5.15 an hour at a tortilla factory, to help with the family finances. "Food is now very expensive," says Ms. Gonzalez, who moved to the U.S. from Mexico about 15 years ago. She stays at home on weekends because going out anywhere would burn the fuel she needs to get herself and her son to work.●

CONGRATULATING JUDGE RENA MARIE VAN TINE

● Mr. DURBIN. Madam President, I rise to recognize and congratulate Rena Marie Van Tine of Chicago on her recent appointment as an Associate Judge of the Circuit Court of Cook County, IL. When she was sworn in on June 12, 2001, Ms. Van Tine became not only the first judge in Illinois of South Asian heritage, but the first female Indian American judge in the Nation.

With a fast-growing community of Asian Americans in Cook County, it is important that the Judiciary reflects the diversity of the people it serves. I applaud Chief Judge Donald P. O'Connell and other Circuit Judges of Cook County for electing this outstanding lawyer to join them on the bench.

Judge Van Tine is a highly experienced attorney with a distinguished record of service to the people of Illinois. She most recently served as Special Counsel to Illinois State Comptroller Daniel W. Hynes, in a position where she oversaw the regulation of approximately one billion dollars in Illinois consumer trust funds entrusted pursuant to the laws governing the cemetery and funeral industries.

Prior to joining the Comptroller's Office, Judge Van Tine was a Cook County Assistant State's Attorney for 12 years. In this capacity she tried hundreds of cases, both in the Criminal Division where she prosecuted violent offenders, as well as in the Civil Division where she saved taxpayers millions of dollars in lawsuits.

In addition to her public service positions, Judge Van Tine has been active with voluntary bar activities. A past president of the Asian American Bar Association and a former executive committee member of the Alliance of Bar Associations for Judicial Screening, she is currently on the board of the Women's Bar Association of Illinois, and is a founding member of the Chicago chapter of the Indian-American Bar Association.

Her contributions to the legal profession are extensive. Judge Van Tine was an adjunct professor for Trial Advocacy at the Chicago-Kent College of Law, and has served as a mock judge for local and national moot court competitions. She has written a book chapter in the American Bar Association's publication of "Dear Sisters, Dear Daughters: Words of Wisdom from Multicultural Women Attorneys Who've Been There and Done That." She also assisted in establishing a legal clinic at the Indo-American Center, which has been providing legal assistance to the Asian American community since 1997.

Judge Van Tine has made numerous appearances at law schools, bar programs, and symposiums to educate law students, attorneys, and community members about various aspects of law and issues affecting Asian Americans, such as hate crimes. She has also discussed the issue of running ethical judicial campaigns on a cable program aired by the Illinois Judges Association.

Judge Van Tine is a member of the Fourth Presbyterian Church where she has participated in conducting Cabrini Green Health workshops for children, serving as a Cook County Hospital candy striper, and volunteering as a Sunday nursery school teacher.

Judge Van Tine earned her law degree at New York Law School and her undergraduate degree from Oakland University. She has completed several graduate courses at Michigan State University focusing on inter-cultural communication. Judge Van Tine has been married for 13 years to Matthew Van Tine, an attorney specializing in commercial and antitrust litigation. They have a young daughter named Kristen.

As the senior Senator of the State of Illinois, I ask my colleagues to join me on the occasion of her appointment to the bench in congratulating Rena Marie Van Tine for all of her accomplishments.●

TRIBUTE TO DONNA CENTRELLA

● Mrs. CLINTON. Madam President, I rise today to pay tribute to Donna Centrella, a very special woman whom I met 2 years ago during my campaign in New York. Donna died on Monday after a long, brave battle with ovarian cancer.

I first met Donna in September 1999 when I visited Massena Memorial Hospital in Massena, NY. Donna had been diagnosed with ovarian cancer in August, but did not have health insurance to cover her treatment. Miraculously, she found a doctor who would treat her without insurance and she was able to afford care through a variety of State programs.

Perhaps even more astounding was her doctor's statement that she was ac-

tually better off without managed care coverage because he could better treat her that way. Without HMO constraints, they were free to make the decisions about the best procedures to follow for her treatment and care: Her doctor could keep her in the hospital as long as needed and he would not have to get pre-approval for surgery.

I have retold Donna's unbelievable story many times since meeting this extraordinary woman. Hers is a story that underscores the profound need in this country for immediate reform of the way we provide health coverage to our citizens. We owe it to patients like Donna to sign patient protections into law as soon as possible to ensure that we can provide the best medical treatment possible to everyone who needs it.

We have lost an ally, but I have faith that we will not lose the fight for greater patient protections. It saddens me greatly that Donna will not be here to see it happen. She was an amazing soul whose determination and strength I will never forget.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO TERRORISTS WHO THREATEN TO DISRUPT THE MIDDLE EAST PEACE PROCESS—MESSAGE FROM THE PRESIDENT—PM 36

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to terrorists who threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995.

GEORGE W. BUSH.
THE WHITE HOUSE, July 23, 2001.